

Finance Policy

NAG 4

April 2008

Purpose

- To effectively manage the school's financial resources and use them to achieve the goals set within the Charter and Strategic Plan.
- To maintain accountability for and control of the school's financial resources.
- To safeguard the assets of the school for future generations of students.

Procedures

- The Board of Trustees retains primary responsibility for the overall financial management of the school in accordance with governance obligations. It may delegate some of its authority and responsibilities but will retain an overseeing role.
- The Principal shall produce a budget for the coming year by the **1st of December** and present to the Board for approval.
- Budgeting shall not fail to reflect the board's strategic results, risk financial jeopardy nor fail to show a generally acceptable level of foresight. Thus the budget should :
 - Reflect the results sought by the board.
 - Reflect the priorities as established by the board.
 - Comply with the board's requirement for a balanced budget.
 - Ensure adequate working capital.
 - Demonstrate an appropriate degree of conservatism in all estimates.
- The Principal shall keep expenditure within budget and report monthly to the Board on performance against budget.
- The financial system must be so organised that the Principal and Chairperson can sign without hesitation the Annual Statement of Financial Responsibility as required by Section 155 of the Crown Entities Act 2004.
- The financial viability of the school must be protected at all times. Therefore, the principal will:
 - Ensure that if any debt must be incurred that it is authorised by the Board of Trustees before it is incurred.
 - Follow generally accepted accounting practices or principles.
 - Use tagged funds for the purposes they have been approved.
 - Ensure that no more funds than have been allocated are spent in the fiscal year.
 - Ensure all money owed to the school is collected in a timely manner.
 - Make timely payment to staff and other creditors.
 - Only sell or purchase authorised property.
 - Only make a single item purchase of over **\$500** with the prior approval from the Board of Trustees.
 - Ensure that all relevant government returns are completed on time.

- Ensure that no one person has complete authority over the school's financial transactions.
- Assets may not be unprotected, inadequately maintained or unnecessarily risked.
Accordingly the principal will ensure that :
 - Assets are fully insured.
 - Plant and equipment are not subjected to improper wear and tear or insufficient maintenance or inappropriate use.
 - The 10 year property maintenance plan is implemented.
 - Intellectual property, information and files are protected from loss or significant damage or unauthorised access or duplication.
 - Controls are sufficient to meet the board appointed auditor's standards for the receiving, processing or disbursing of funds.
 - Investments and operating capital are in secure interest bearing accounts except where necessary to facilitate ease in operational transactions.

Signed

Board Chairperson

On behalf of and with the authority of the Board on _____